

UNITED STATES DISTRICT COURT

for the

Southern District of Ohio

United States of America
v.

TONI WRIGHT

Case No. **1:21-MJ-00266**

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of MARCH 30, 2020 in the county of HAMILTON in the
Southern District of Ohio, the defendant(s) violated:

<i>Code Section</i>	<i>Offense Description</i>
18 U.S.C. § 1343	Wire Fraud
18 U.S.C. § 1344	Bank Fraud
18 U.S.C. § 1001	False Statements, Concealment
18 U.S.C. § 1014	False Statements in Loan or Credit Applications
18 U.S.C. § 1040	Fraud in connection with Major Disaster or Emergency Benefits
42 U.S.C. § 408(a)(7)(B)	False Representation of a Social Security Number

This criminal complaint is based on these facts:

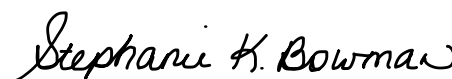
SEE ATTACHED AFFIDAVIT

☒ Continued on the attached sheet.

Complainant's signature

SA FERRON M. YI, FBI

Printed name and title

Sworn to before me and signed in my presence.
via electronic means, specifically Facetime video.Date: Mar 30, 2021

Judge's signature

City and state: CINCINNATI, OHIO

HONORABLE STEPHANIE K. BOWMAN

Printed name and title



AFFIDAVIT IN SUPPORT OF CRIMINAL COMPLAINT

I, Ferron M. Yi, being first duly sworn, hereby depose and state as follows:

I. INTRODUCTION

1. I am a Special Agent with the Federal Bureau of Investigation (hereafter “FBI”) and have been since February 2020. I am currently assigned to the Complex Financial Crimes Squad of the Cincinnati Division. In this capacity, I investigate matters involving criminal enterprises, white collar crimes, civil rights violations, money laundering, and various types of fraud. Prior to my employment with the FBI, I served as a sworn peace officer in the State of Georgia for over 10 years. I have received training and investigative experience in interviewing and interrogation techniques, arrest procedures, search and seizure, search warrant applications, electronic media and computer investigations, and various other crimes and investigative techniques including Title III investigations. As a FBI Special Agent, I am responsible for the investigation and enforcement of violations of United States law, including laws dealing with bank fraud, wire fraud, disaster fraud, and false statements.

2. I am familiar with the facts and circumstances of this case. The information contained in this affidavit is either personally known to me, based upon my interview of various witnesses and review of various records and publicly available information, or has been relayed to me by other agents or sworn law enforcement personnel. Because this affidavit is being submitted for the limited purpose of obtaining a criminal complaint and arrest warrant, I have not included each and every fact known to me concerning the investigation. I have only set forth facts to establish probable cause for the charges in the complaint.

3. Based on my training and experience and the facts as set forth in this affidavit, there is probable cause to believe that violations of 18 U.S.C. § 1343 (Wire Fraud), 18 U.S.C. § 1344 (Bank Fraud), 18 U.S.C. § 1014 (False Statements in Loan and Credit Applications), 18 U.S.C. § 1040 (Fraud in connection with Major Disaster or Emergency Benefits), 42 U.S.C. § 408(a)(7)(B) (False Representation of a Social Security Number), and 18 U.S.C § 1001

(False Statements to Department or Agency of the United States), among others, have been committed by Toni Wright.

II. PROBABLE CAUSE

A. The government is investigating fraud involving loan programs designed to assist small businesses during the pandemic.

4. In approximately October 2020, the FBI, in conjunction with the United States Secret Service (USSS), initiated an investigation of Toni Wright a/k/a Toni Nichols (hereafter “Wright”), the purported owner of Poshedbar and Beautiful Beginnings Doula Service, for suspected violations of 18 U.S.C. § 1343 (Wire Fraud) and 18 U.S.C. § 1014 (False Statements on a Loan Application) among other offenses based on a review of transactional data showing that deposits stemming from Small Business Administration (SBA) programs designed to assist small businesses and their employees during the coronavirus (hereafter “COVID-19”) pandemic had been used for purchases and expenses seemingly unrelated to job retention and other permissible business expenses.

5. During a review of Wright’s bank records, I learned that Wright received SBA Paycheck Protection Program (hereafter “PPP”) loans in the amount of \$74,000.00 for business Poshedbar (Pentagon Federal Credit Union), and \$250,000.00 for business Beautiful Beginnings Doula Service (Telhio Credit Union).¹ A review of the Covid Bailout Tracker also revealed that Wright also received a SBA PPP loan in the amount of \$25,000.00 for business Jerry’s Electronics.

6. The SBA PPP was established pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act, a federal law enacted on March 27, 2020 designed to provide emergency financial assistance to the millions of Americans who are suffering the economic

¹ Pentagon Federal Credit Union and Telhio Credit Union are both insured by the National Credit Union Administration (NCUA).

effects caused by the COVID-19 pandemic. The purpose of the SBA PPP is to provide monetary assistance for businesses to keep their workforce employed during the COVID-19 crisis. The SBA PPP allows entities to apply for low-interest private loans through financial institutions to pay for their payroll and certain other costs. The PPP loan proceeds may be used to cover payroll costs, rent, interest, and utilities. In order to obtain a PPP loan, a qualifying business must submit a PPP loan application, which is signed by an authorized representative of the business. The PPP loan application requires the business (through its authorized representative) to acknowledge the program rules and make certain affirmative certifications in order to be eligible to obtain the PPP loan. In the PPP loan application, the authorized representative must state, among other things, the business': (a) average monthly payroll expenses; and (b) number of employees. These figures are used to calculate the amount of money the small business is eligible to receive under the PPP.

7. During the investigation, I also learned that in addition to PPP loans, Wright applied for funds under the Economic Injury Disaster Loan (EIDL) program, although she ultimately did not receive such funds. The EIDL program was expanded under the CARES Act to provide economic relief to businesses that are currently experiencing a temporary loss of revenue due to COVID-19 by supplying working capital and normal operating expenses. EIDLs are issued directly by the SBA. Like PPP proceeds, however, EIDL funds must be used by the business on certain permissible expenses, including continuation of health care benefits, rent, utilities, and fixed debt payments. The amount of EIDL funds a business may receive is generally determined by the number of employees and amount of monthly expenses accrued in the previous year before the pandemic.

B. Wright's EIDL applications for PoshedBar show significant discrepancies indicative of fraud.

8. According to the SBA Loan File, on or about March 30, 2020, Wright applied for an EIDL (SBA application number 3300362934) for business Poshedbar. In the application,

Wright stated that she was the 100 percent owner of Poshedbar, Employer Identification Number (EIN) 83-4709495, and had 10 employees. Wright further indicated that her gross revenues for the 12 months prior to the COVID-19 disaster was \$150,000.00. Wright listed this business as a hair and nail salon offering personal services for type of business activity. Wright also submitted a self-prepared 2019 Form 1040 (United States Individual Income Tax Return) and indicated that Poshedbar's total expenses before expenses for business use of home was \$402,629.00. On April 17, 2020, SBA declined Wright's application for the EIDL due to Wright's unsatisfactory credit history, a public records search yielding no results of a legitimate business, and a bank account being unconfirmed.

9. Notwithstanding this rejection, according to the SBA Loan File, on approximately June 15, 2020, Wright applied for another EIDL for the Poshedbar business (SBA application number 3304604128). On this application, Wright indicated that Poshedbar had 15 employees. Wright further indicated that her gross revenues for the 12 months prior to the COVID-19 disaster was \$472,349.00. On June 17, 2020, SBA flagged this application as a duplicate and noted that a public records search did not find a legitimate business for Poshedbar and that a bank account that was associated with Poshedbar could not be confirmed.

10. According to the SBA Loan File, on approximately December 30, 2020, Wright applied for yet another EIDL for the Poshedbar business (SBA application number 3315897312). On this application, Wright stated Poshedbar had 10 employees. Wright further claimed that her gross revenues for the 12 months prior to the COVID-19 disaster were \$1,312,005.00 and her cost of goods sold for the 12 months prior to the COVID-19 disaster was \$790,009.00. The SBA Loan File notes indicate that an offer was accepted on December 31, 2020; however, the SBA Loan File details that there was no score on the credit report submitted on the application, a public records search did not find a legitimate business for Poshedbar, and that a bank account that was associated with Poshedbar could not be confirmed.

11. Comparing the three EIDL applications, I noticed significant differences in gross revenue claimed over the last 12 months as well as differences in claimed number of employees. Based on my training, knowledge, and experience I know that inconsistencies between loan applications are a common indicator of fraud.

12. An open record review performed by your affiant further revealed that registration of “Foreign for Profit LLC” for business Poshedbar was filed by Wright to the State of Ohio Secretary of State and effective on October 14, 2019. On December 04, 2019, Poshedbar LLC was cancelled by the State of Ohio Secretary of State due to a failure to submit a filing fee and the entity was no longer active upon the LLC being cancelled.

C. Wright’s EIDL applications for Jerry’s Electronics show significant discrepancies indicative of fraud.

13. In addition to EIDL loans for Poshedbar, according to the SBA records, on approximately April 03, 2020, Wright applied for an EIDL (SBA application number 3302089004) for business Jerry’s Electronics. On this application, Wright indicated that she was the 100 percent owner of Jerry’s Electronics, EIN 83-4709495 [Note: Same EIN at Poshedbar], and had 15 employees. Wright further indicated that her gross revenues for the 12 months prior to the COVID-19 disaster were \$230,000.00, her cost of goods sold for the 12 months prior to the COVID-19 disaster was \$198,00.00, and her rental losses due to the COVID-19 disaster were \$9,200.00. On May 11, 2020, the SBA flagged this application as a duplicate and noted that Wright had an unsatisfactory credit score, a bank account or routing number could not be verified for Jerry’s Electronics, and that a bank account that was associated with Jerry’s Electronics could not be confirmed.

14. Subsequently, on approximately June 18, 2020, Wright applied for an EIDL (SBA application number 3305323944) for business Jerry’s Electronics. On this application, Wright used a different EIN (821829238), but claimed she had 25 employees. Wright further indicated

that her gross revenues for the 12 months prior to the COVID-19 disaster was \$690,000.00 and that her cost of goods sold for the 12 months prior to the COVID-19 disaster was \$215,000.00. On June 19, 2020, the SBA flagged this application as a duplicate and noted that a bank account could not be confirmed or associated with business Jerry's Electronics.

15. Your affiant performed a search of Jerry's Electronics which yielded mixed results. Registration of "Articles of Organization/Domestic Profit Limited Liability Company" for business Jerry's Electronics was filed by a JC to the State of Ohio Secretary of State and effective on March 20, 2014. This business appears to be unrelated to Wright. In addition, I was unable to find a listing for Jerry's Electronics on the Kentucky Secretary of State website, even after searching by business name, partial name, or under Wright's name. According to the Covid Bailout Tracker, the SBA PPP loan for \$25,000.00 was funded to Wright with a business address of 1601 South 32nd Street, Louisville, Kentucky 40211, which is a residential address. On Wright's EIDL application number 3305323944 for Jerry's Electronics, Wright listed 1820 South 32nd Street, Louisville, KY 40211, as the business address, and on Wright's EIDL Application 3303089004 for Jerry's Electronics, Wright listed her residential address in Cincinnati, OH, as the business address. Based on my training, knowledge, and experience I know address discrepancies as well as lack of corporate registration are common indicators of fraud.

D. Discrepancies between Beautiful Beginnings PPP loan and other records also suggest fraud.

16. On June 22, 2020, Wright signed a PPP Borrower Application Form for Beautiful Beginnings Doula Service using a Business Tax identification Number of 85-1542422 as the 100 percent owner of the business. Wright claimed that the average monthly payroll for Beautiful Beginnings Doula Service was \$100,000.00 and that the business had 25 employees. Wright further claimed on the PPP Borrower Application Form that the purpose of the \$250,000.00 loan was for payroll and lease payments.

17. On June 23, 2020, Wright signed a Business Membership Eligibility and New Account Information Form with Telhio Credit Union. On this form, Wright indicated that her business name was Beautiful Beginnings Doula Services located at 7718 Eustis Court, Cincinnati, Ohio 45236. [Later determined to be Wright's residential address.] Wright further claimed on this form that her annual income was \$670,000.00 in 2019 and the business was opened on May 01, 2019.

18. On June 24, 2020, Wright signed Member Account Agreements for Telhio Credit Union business account numbers ending in 5766 and 5755, and personal account number ending in 5659, and is the sole signer on all three accounts. Wright submitted a self-generated Employer's Quarterly Federal Tax Return (IRS Form 941) for 2019 and reported that for the first quarter of 2019 (January, February, March), Beautiful Beginnings Doula Services had 25 employees and claimed \$300,000.00 in wages, tips, and other compensation.

19. On July 06, 2020, Telhio Credit Union issued loan number 3603812212 in the amount of \$250,000.00 with a maturity date of July 06, 2025 for Beautiful Beginnings Doula Services. The loan lists Wright as having a Social Security Number ending in -9366. Wright attested that the primary purpose of the loan was business, and further electronically signed and acknowledged that this loan was made under the SBA PPP and could not be used for personal, family, household purposes, or personal investment purposes.

20. Your affiant has confirmed that registration of "Domestic for Profit LLC" for business Beautiful Beginnings Doula Service LLC was filed by Wright to the State of Ohio Secretary of State and effective on January 30, 2020. Based on my investigation, there is no indication that the business was in operation in 2019, let alone that it employed 25 individuals or made upwards of \$300,000. On March 17, 2020, Beautiful Beginnings Doula Service LLC was cancelled by the State of Ohio Secretary of State due to a failure to submit a filing fee and the entity was no longer active upon the LLC being cancelled.

E. PPP loan proceeds received for PoshedBar and Jerry Electronics do not appear to have been used consistent with SBA program rules.

21. Review of Wright's associated bank account records show a series of transactions that do not appear related to legitimate business expenses or activity under the SBA PPP. In January 2020, Wright opened Pentagon Federal Credit Union business account number ending in 768-01-5 (Regular Share Account) and is the sole signer on the account. This account had low transaction activity and maintained a zero balance for the first few months upon opening. On May 04, 2020, Wright received a wire transfer deposit into this account in the amount of \$74,000.00 from a SBA PPP loan for Poshedbar.

22. Upon receiving the deposit, Wright made the following withdrawals or transfers using that account which seemed to have no economic purpose, but rather seemed calculated to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of the fraud:

- a. \$3,000.00 on May 04, 2020 (Funds Transfer Debit);
- b. \$7,500.00 on May 04, 2020 (Domestic Wire Transfer Withdrawal);
- c. \$1,643.00 on May 04, 2020 (Domestic Wire Transfer Withdrawal);
- d. \$3,000.00 on May 05, 2020 (Cash Withdrawal);
- e. \$2,995.00 on May 05, 2020 (Withdrawal by Check);
- f. \$3,390.00 on May 05, 2020 (Withdrawal by Check);
- g. \$5,000.00 on May 06, 2020 (Domestic Wire Transfer Withdrawal);
- h. \$4,000.00 on May 07, 2020 (Domestic Wire Transfer Withdrawal);
- i. \$5,000.00 on May 19, 2020 (Auto Transfer, Debit); and
- j. \$45,000.00 on May 19, 2020 (Auto Transfer, Debit).

23. Similarly, on May 27, 2020, after Wright received a preauthorized deposit in the amount of \$25,000.00 from Square Inc. stemming from the Jerry's Electronics SBA PPP, she made the following withdrawals or transfers to other accounts owned by her:

- a. \$10,620.00 on June 02, 2020 (Domestic Wire Transfer Withdrawal);
- b. \$10,000.00 on June 02, 2020 (Telephone Funds Transfer);
- c. \$3,737.00 on June 08, 2020 (Preauthorized Withdrawal); and
- d. \$1,400.00 on June 19, 2020 (Telephone Funds Transfer).

24. A review of Wright's Pentagon Federal Credit Union accounts reveals significant indicia of money laundering and fraud, including: structuring of cash withdrawals, various "cash app" transactions, including purchases to food delivery services such as "Door Dash," purchases at various restaurants including but not limited to, Red Lobster, Auntie Anne's, White Castle, Coopers Hawk, Twin Dragon Buffet, Werner's Smokehouse, Wild Eggs, purchases at various department and retail stores including but not limited to, Target, Victoria's Secret, Nordstrom, Michael Kors, Sam's Club, Wayfair, Apple, Kroger, Louis Vuitton, Kay Jewelers, Jungle Jim's, Macy's, Best Buy, Ralph Lauren Polo, Mattress and Appliance, Ikea, and Baby Phat Beauty, purchases for vacation and activity including but not limited to, King's Island, Luxury Rentals Miami, and American Airlines, and approximately \$10,500.00 to Sono Bello, which is a facility that advertises to be the national leader in laser liposuction and body contouring. None of these expenses appear consistent with payroll, rent, or other permitted expenses under the SBA program.

F. Wright used the Beautiful Beginnings PPP loan to fraudulently enrich herself including transfers to associated accounts and through gambling.

25. After Wright received the \$250,000.00 in PPP proceeds to her Telhio Credit Union account on July 07, 2020, Wright proceeded to make a \$100,000 transfer to one of her Pentagon Federal Credit Union accounts as well as the following cash withdrawals:

- a. \$5,000.00 on July 07, 2020;
- b. \$4,325.00 on July 07, 2020;
- c. \$5,000.00 on July 08, 2020;
- d. \$2,000.00 on July 23, 2020.

26. In the weeks following the SBA disbursement, Wright went on a gambling spree, making the following point of sale withdrawals at various casinos:

- e. \$3,111.99 on July 10, 2020 at Hollywood Casino in Lawrenceburg, Indiana;
- f. \$2,082.99 on July 10, 2020 at Hollywood Casino in Lawrenceburg, Indiana;
- g. \$2082.99 on July 11, 2020 at Belterra Casino Resort in Florence, Kentucky;
- h. \$4,140.00 on July 13, 2020 at Jack Cincinnati in Cincinnati, Ohio;
- i. \$4,140.00 on July 13, 2020 at Jack Cincinnati in Cincinnati, Ohio;
- j. \$4,112.99 on July 14, 2020 at Indiana Grand Casino in Shelbyville, Indiana;
- k. \$4,140.00 on July 16, 2020 at Jack Cincinnati in Cincinnati, Ohio;
- l. \$4,140.00 on July 16, 2020 at Jack Cincinnati in Cincinnati, Ohio;
- m. \$2,159.00 on July 19, 2020 at Hard Rock Casino in Fort Lauderdale, Florida;
- n. \$4,318.00 on July 19, 2020 at Hard Rock Casino in Fort Lauderdale, Florida;
- o. \$5,175.00 on July 24, 2020 at Jack Cincinnati in Cincinnati, Ohio;
- p. \$534.99 on July 24, 2020 at Jack Cincinnati in Cincinnati, Ohio;
- q. \$1,060.99 on July 27, 2020 at Jack Cincinnati in Cincinnati, Ohio;
- r. \$4,140.00 on July 27, 2020 at Jack Cincinnati in Cincinnati, Ohio;
- s. \$5,111.99 on July 28, 2020 at Hollywood Casino in Lawrenceburg, Indiana; and
- t. \$5,175.00 on July 30, 2020 at Jack Cincinnati in Cincinnati, Ohio.

G. Evidence suggests that in addition to the expenditures outlined above, Wright purchased vehicles for her personal use using PPP funds and used the sale of the vehicles to further launder PPP funds.

27. The investigation further revealed that on or about July 11, 2020, Wright purchased a 2018 Chevrolet Malibu from Jake Sweeney Automotive, Inc., located at 33 West Kemper Road, Cincinnati, Ohio 45246, in the approximate amount of \$18,050.59 using PPP proceeds. Two days later, on or about, July 13, 2020, Wright purchased a 2020 Model 3 Tesla in the approximate amount of \$51,943.37 from Tesla Inc., located at 9111 Blue Ash Road, Blue Ash, Ohio 45242, again using PPP loan proceeds.

28. On or about October 16, 2020, Wright traded the 2020 Model 3 Tesla for a 2020 Chevrolet Malibu at McCluskey Chevrolet located at 8525 Reading Road, Cincinnati, Ohio 45215. Wright was awarded a \$41,200.00 trade-in allowance to facilitate the trade. After the trade was finalized, Wright obtained the 2020 Chevrolet Malibu and a \$13,380.00 check from McCluskey Chevrolet.

29. On or about September 01, 2020, Wright leased a 2020 Chevrolet Blazer, from McCluskey Chevrolet located at 8525 Reading Road, Cincinnati, Ohio 45215. To facilitate this purchase, Wright traded the 2018 Chevrolet Malibu, with the approximate trade-in value allowance being \$12,000.00, in order to obtain the 2020 Chevrolet Blazer.

30. On or about November 10, 2020, Wright sold the 2020 Chevrolet Malibu to Beechmont Ford located at 600 Ohio Pike, Cincinnati, Ohio 45245.

H. In addition to SBA loans, Wright also applied for and received unemployment assistance.

31. Bank records also show that from May 2020 to October 2020, Wright received approximately \$19,666.00 in deposits from the Ohio Department of Jobs and Family Services (ODJFS) Pandemic Unemployment Assistance (ODJFS-PUA) program. ODJFS-PUA payments were authorized under the CARES Act to provide unemployment benefits to support business

owners, the self-employed, independent contractors, and others who do not qualify for traditional unemployment benefits. Based on my training, knowledge, and experience, I know it is rare for a business owner that has received funds for businesses large enough to justify SBA PPP loans to simultaneously receive unemployment credits under the ODJFS-PUA program. Based on my training, knowledge, and experience, I know this to be a strong indicator of fraud.

I. Evidence further suggests Wright used a false or fraudulent social security number to apply for SBA loans.

32. After reviewing the various records and noticing differences between the social security number Wright listed in SBA loan applications as compared with other law enforcement records, I conferred with the Social Security Administration Office of the Inspector General (hereafter “SSA/OIG”) concerning the discrepancy. Special Agent Frederick Reier confirmed that SSN XXX-XX-9366 used by Wright had not been issued to her by the Social Security Administration. From a review of the records, Wright used the fraudulent social security number for, among other things: SBA Application 3304604128 for business Poshedbar, SBA Application 3315897312 for business Poshedbar, SBA Application 3305323944 for business Jerry’s Electronics, Pentagon Federal Credit Union Membership Application, Loanliner Application for New Horizon’s Credit Union, various Telhio Credit Union account forms, PPP Borrower Application Form for Beautiful Beginnings Doula Service. She also falsely asserted that this number was her social security number during an in-person interview I conducted with FBI Special Agent Aaron Bauder. Based on my training and experience, I have learned that individuals often use fake and fraudulent numbers in place of their real social security number where they have poor credit and/or they are seeking to conceal their transactions.

J. During initial interviews with agents, Wright made false statements.

33. On January 28, 2021, I, along with FBI Special Agent Bauder, conducted a “knock and talk” with Wright at her residence located at 7718 Eustis Court, Cincinnati, Ohio

45236. During that interview, Wright claimed that she used the SBA PPP loan for Poshedbar in the amount of \$74,000.00 to pay approximately \$4,950.00 in rent for the salon, and the remainder (approximately \$69,050.00) to fully pay employees. According to Wright, Poshedbar had “10 to 12 employees.” Wright also claimed that she used the SBA PPP loan for Beautiful Beginnings Doula Service in the amount of \$250,000.00 to pay each employee (25 in total) \$10,000.00, comprising the entire \$250,000.00. Wright told agents that she did not consider herself to be an employee and claimed that she had received no monetary or personal gain from the SBA PPP loans.

34. During this interview, Wright also told agents that her friend and pseudo accountant, KM, was assisting her with finances for the business Beautiful Beginnings Doula Service. Wright advised that agents could contact KM and request a list of her employees for further interviews, if necessary. Wright denied applying for EIDLs and stated that she only applied for, and received, two SBA PPP loans.

35. Following the interview, I attempted to contact KM using the telephone number provided by Wright. I was unable to reach KM and instead made contact with someone who identified himself as DW, Wright’s son. I also interviewed several individuals who had received modest sums from Wright as evidenced from the bank records. One individual advised that he was an employee of Wright for Poshedbar; however, he claimed that he was not paid by her due to work being unavailable. He further advised that the most money he has ever received from Wright was approximately \$500.00 and his normal duties included maintenance, janitorial services, and other miscellaneous “side jobs.” Another individual stated that the money she received from Wright was a repayment of a personal loan and that as far as she knew Wright never owned or operated a business for doula services or pregnancy assistance. According to her, Wright worked in a salon, however, she never saw any other employees and did not think that Wright was the owner of the business. A third individual interviewed advised that she was not an

employee of Wright and was only paid once by Wright in the amount of approximately \$1,000.00 for a small construction and remodeling job done to a salon that was located in Downtown Cincinnati, Ohio. According to her, however, the salon was not operational, there were no employees, and there was no equipment inside of the salon.

36. On February 18, 2021, I followed up with Wright via telephone for employee contact information. Wright not only claimed that her employees no longer wanted to speak to her, but also that she had no contact information for any of her employees due to only ever communicating with them through Facebook Messenger. Wright further advised that while KM had a list of her employees, KM could not be reached because KM died approximately after one week after Wright was interviewed by agents on January 28, 2021. According to Wright, she wanted to give KM's family time to grieve before requesting the return of her records. Wright consented to a follow up interview.

37. On February 22, 2021, I, along with USSS Special Agent Richard Naltner, interviewed Wright at her residence. According to Wright, none of her businesses (Poshedbar, Beautiful Beginnings Doula Service, and Jerry's Electronics) are operational due to COVID-19; however, she was in the process of converting her beauty salon into a new salon called Cincinnati Beauty Bar. Wright told agents that her current and only source of income is making wigs and receiving PUA funds.

38. During the interview, Wright maintained that she could not produce a list of her employees for Beautiful Beginnings Doula Service because KM died in a car accident on Interstate-75. Wright continued to assert that she had 10 employees for Poshedbar, 25 employees for Beautiful Beginnings Doula Service, and claimed that she had five employees for Jerry's Electronics. Wright additionally claimed that she gave KM the money to pay employees of Beautiful Beginnings Doula Service and she paid employees of Poshedbar and Jerry's Electronics herself.

K. Wright later admitted misuse of SBA program funds and to making false statements to agents.

39. The following day, on February 23, 2021, I received a telephone call from Wright, saying that she needed to “get some things off her chest” and requested that I speak with her in person.

40. That same day, I returned to Wright’s residence accompanied by FBI Special Agent Aaron Bauder. Initially, during the interview, Wright told agents that she did not use all of the SBA PPP loans to pay employees; instead claiming, that she used the funds for business related expenses such as paying rent and utilities, cosmetic updates to the salon, overhead fees, and certification fees. Wright additionally claimed that although she received \$250,000.00 for a SBA PPP loan for her business Beautiful Beginnings Doula Service, she used some of those funds for her business Poshedbar.

41. Soon, however, Wright admitted that she did use the SBA PPP loan funds on herself, to pay her home rent, as well as on other various items such as clothing and “other things.” Wright insisted that she spent some of the money on business rent and licensing fees; however, she conceded that most of the money was spent on non-business-related expenses and were personal in nature.

42. Specifically, Wright acknowledged that she had used the SBA PPP loan funds to purchase clothes, shoes, jewelry, and other miscellaneous items for herself and to maintain her lifestyle. Wright also admitted that in July 2020, she used SBA PPP loan funds to vacation in Miami, Florida. While in Miami, Florida, she used SBA PPP loan funds to pay for her hotel room, car rental fees, flight tickets, miscellaneous vacation expenses, and gambling at the casino. She additionally admitted that she used SBA PPP loan funds to gamble. Wright advised that she has gone to Jacks (now known as Hard Rock Casino) in Cincinnati, on a weekly basis since the

pandemic started. According to Wright, each time she has frequented Hard Rock Casino, she has withdrawn approximately \$3,000 to \$4,000 dollars per trip.

43. Wright confirmed that she used SBA PPP loan funds to purchase vehicles, including a 2020 Tesla for approximately \$50,000.00, which she later traded for a 2020 Chevrolet Malibu at McCluskey Chevrolet. Wright disclosed that after the trade she received approximately \$16,000.00 from McCluskey Chevrolet due to the trade-in value of the 2020 Tesla being much higher than the 2020 Chevrolet Malibu. She further disclosed that she later sold the 2020 Chevrolet Malibu to Beechmont Ford and received approximately \$17,000.00. According to Wright, the only vehicle she currently has is the 2020 Chevrolet Blazer that she is leasing through McCluskey Chevrolet.

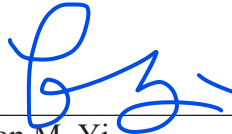
44. Wright ultimately confessed that she did not pay any employees from the SBA PPP loan funds. She further disclosed that she applied for and received PUA because her businesses were not operational due to the pandemic.

45. Wright claimed that she initially lied to agents because she was scared. Wright knew that sixty percent or more of the SBA PPP loan funds were supposed to be used for payroll, and she did not do that. Although Wright did spend a fraction of the SBA PPP loan funds on salon equipment, business rent, overhead fees, and hair, none of the money was spent on payroll. Wright further stated that she knew the number of employees that she claimed was inflated and further knew that she was not actually eligible to receive the amounts she received. Wright also admitted to agents that KM never had a list of Wright's employees. Wright used most of the total amount of SBA PPP loan funds she received on herself and expenses that were personal in nature. Wright advised that she knew that she spent the SBA PPP loan funds inappropriately. According to Wright, all of the SBA PPP loan funds she received have now been spent.

III. CONCLUSION

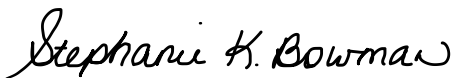
46. Based on the foregoing, I request that the Court issue the proposed criminal complaint. There is probable cause to believe that violations of 18 U.S.C. § 1343 (Wire Fraud), 42 U.S.C. § 408(a)(7)(B) (False Representation of a Social Security Number), 18 U.S.C. § 1344 (Bank Fraud), 18 U.S.C. § 1040 (Fraud in connection with Major Disaster or Emergency Benefits), 18 U.S.C. § 1014 (False Statements in Loan or Credit Applications) and 18 U.S.C. § 1001 (False Statements, Concealment) have been committed by Toni Wright. I, therefore, respectfully request that an arrest warrant be issued authorizing the arrest of Toni Wright.

Respectfully submitted,



Ferron M. Yi
Special Agent
Federal Bureau of Investigation

Subscribed and sworn to before me on this 30 day of March, 2021.
via electronic means, specifically Facetime video.



HONORABLE STEPHANIE K. BOWMAN
UNITED STATES MAGISTRATE JUDGE

